

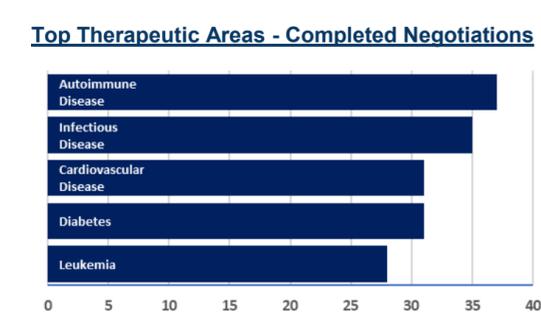
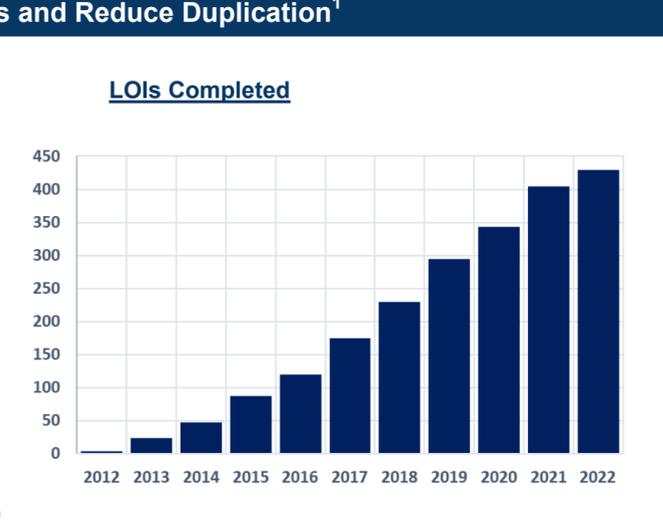
## pCPA Objectives

Established in 2010, the pCPA, is a collective of all Provinces, Territories, and the Federal Government working together to:

- **Increase access** to clinically relevant and cost-effective treatments
- Achieve consistent and **lower drug costs**
- **Improve consistency** in funding decisions
- **Reduce duplication** and optimize resource utilization

## Increase Access and Reduce Duplication<sup>1</sup>

- Since pCPA's inception, **429** negotiations have reached a Letter of Intent (LOI):
  - **165** in oncology
  - **136** for biologics, including **39** for biosimilars
  - **38** for EDRDs



## Lower Drug Costs

### Generic Drugs

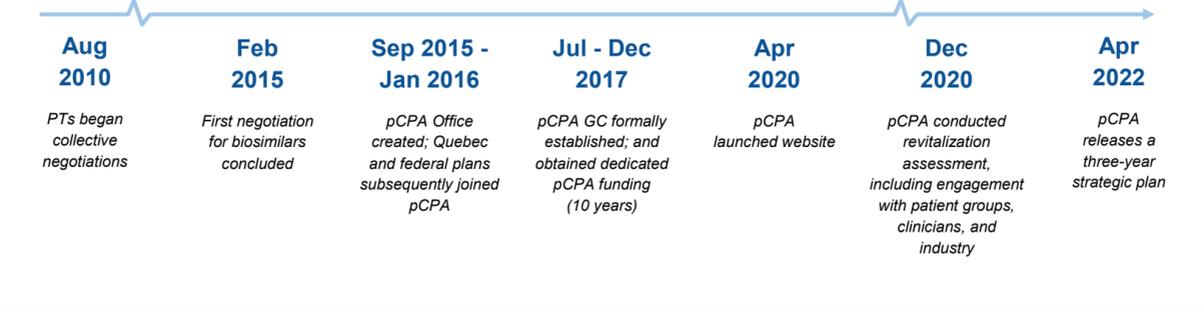
**Apr 2018:** The pCPA and CGPA negotiated a 5-year initiative reducing prices of nearly 70 of the most commonly prescribed generic drugs by up to 90%

- **Significant savings** for Canadians who use prescription generic drugs
- Up to **\$3 Billion** in savings to Public Drug Plans over the ensuing 5 years

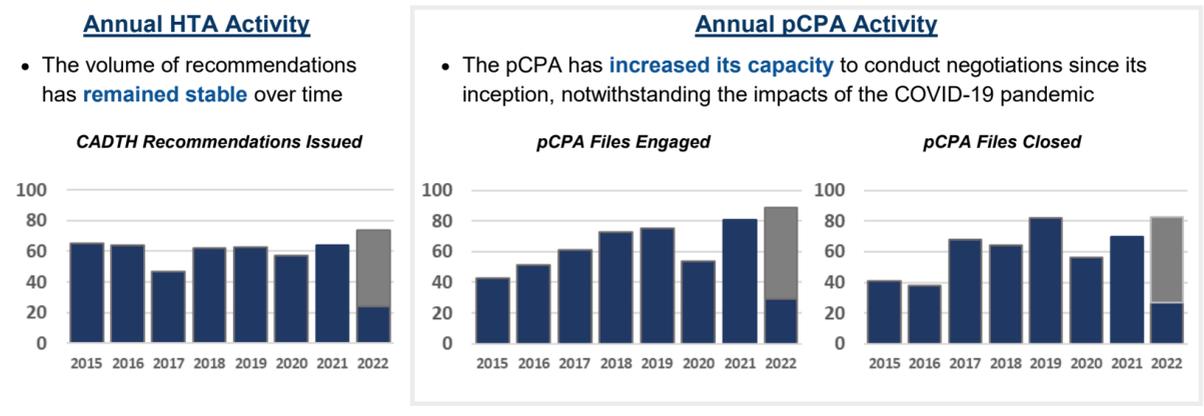
**> 3200** pCPA generic price assessments<sup>1</sup>



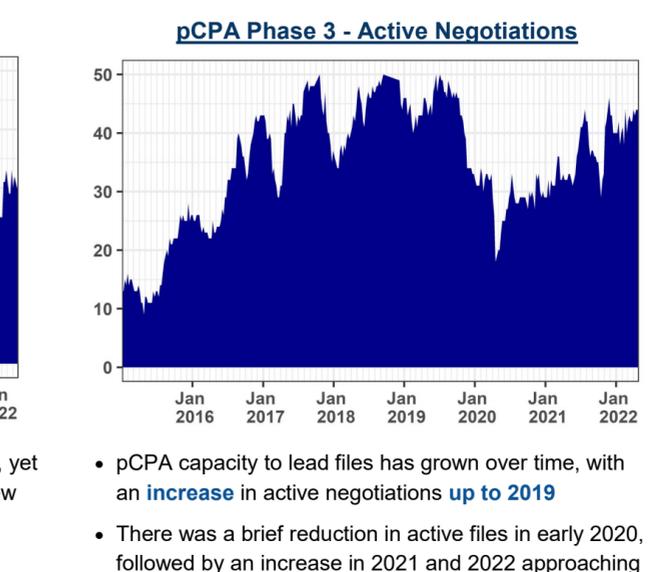
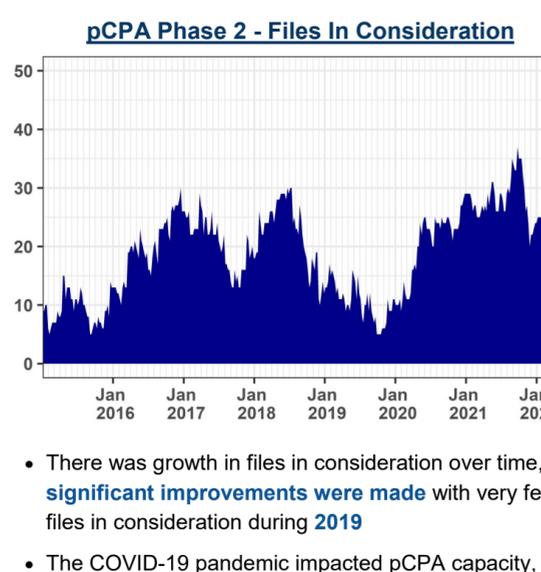
## Improve Consistency



## pCPA File Volumes and Timelines<sup>1</sup>



| pCPA Phases                    | 1: Initiation   | 2: Consideration  | 3: Negotiation  | 4: Completion  |
|--------------------------------|---|---|---|--|
| (See Brand Process Guidelines) | The pCPA evaluates whether new drugs, existing drugs, or line extensions require pCPA consideration | The pCPA gathers information informing whether a drug should enter negotiations | pCPA and the Manufacturer negotiate clinical and financial terms for listing the drug | The negotiation leads to either agreement and a fully executed LOI, or it ends with a close letter |
|                                | Acknowledgment Letter (LOA)   | Engagement Letter (LOE)   | Initial Agreement   | Letter of Intent (LOI)   |

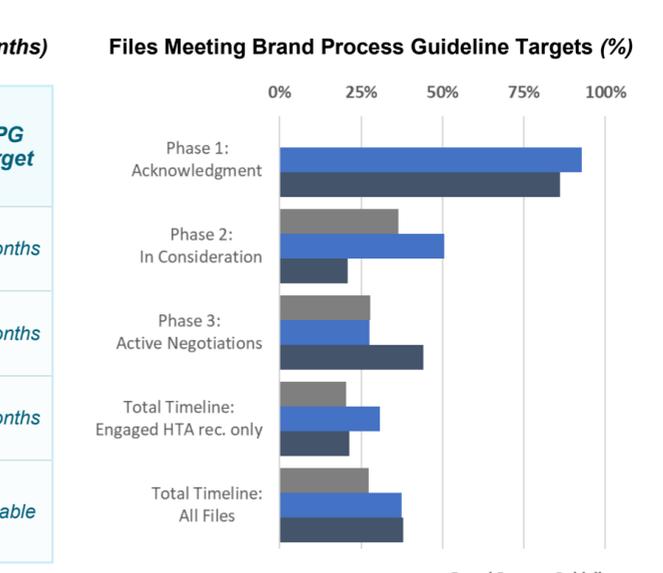


## pCPA Negotiation Timelines

- Median negotiation timelines **improved** with the introduction of the Brand Process Guidelines, but have **been impacted** by the COVID-19 pandemic
- Most files complete Phase 1 within target timelines; a minority of files are within target timelines for engagement, negotiation, and overall timelines

### Median Time To Complete Negotiation Stages (Months)

|                               | Pre-BPG <sup>2</sup> | Pre-COVID-19 <sup>3</sup> | During COVID-19 <sup>4</sup> | BPG Target |
|-------------------------------|----------------------|---------------------------|------------------------------|------------|
| Time to Engage                | 3.4                  | 1.9                       | 4.4                          | 2 months   |
| Active Negotiation            | 6.9                  | 5.2                       | 4.5                          | 4 months   |
| Total Time (Engaged HTA only) | 10.5                 | 8.4                       | 10.2                         | 6 months   |
| Total Time (All Files)        | 8.9                  | 6.4                       | 7.4                          | Variable   |



(1) All data effective Apr. 30, 2022; (2) Pre-Brand Process Guidelines (BPG): Jan. 1, 2015 — June 30, 2018; (3) July 1, 2018 to March 11, 2020; (4) March 12, 2020 to present

## Negotiation Timelines—Mutual Responsibility

Negotiations can be complex endeavors comprised of many processes and factors with all parties sharing a role in working towards a timely agreement.

All negotiating parties play an important role in reaching agreement and achieving timely outcomes.



## COVID-19 Pandemic Response

### Jurisdictions have responded to shifting drug plan responsibilities

Oversight of pharmacy-based **distribution of COVID-19 Vaccines & therapeutics (Paxlovid™)**

Adjustment to **remote work** and **claims volatility** during lockdowns

Monitoring and management of **drug shortages**

Review of clinical criteria for special authorization to **respond to COVID-19-related conditions**

### The pCPA has implemented measures to address capacity constraints and manage negotiations

#### Prioritization

A principled approach to prioritizing negotiations using clinical and economic considerations

#### Increased Lead Capacity

The pCPA Office prioritized staffing up to lead negotiations; and jurisdictions shifted resources away from policy development and process improvement

#### Targeted Negotiations

Structured process where pCPA and manufacturers adhere to specific timelines to streamline negotiations